(G) NOTICE TO COUNTY DEPARTMENT OF HUMAN SERVICES (CDHS) OF CERTAIN BALANCES. THE NF MUST REPORT TO THE CDHS ANY PNA BALANCES IN EXCESS OF THE MAXIMUM RESOURCE LIMITATION. THE CDHS MUST APPLY THE EXCESS AMOUNT TO THE ROUTINE COST OF NF CARE ACCORDING TO RULE 5101:1-39-661 ("MEDICAID: RECIPIENT-CAUSED OVERPAYMENT RECOVERY") OF THE ADMINISTRATIVE CODE.

(H) ASSURANCE OF FINANCIAL SECURITY. TO ASSURE THE SECURITY OF ALL RESIDENTS' FUNDS MANAGED BY THE NF AND DEPOSITED WITH THE NF, THE NF MUST PURCHASE A SURETY BOND OR PROVIDE A REASONABLE ALTERNATIVE AS DESCRIBED IN PARAGRAPH (I) OF THIS RULE.

(1) THE SURETY BOND MUST BE EXECUTED BY A LICENSED SURETY COMPANY PURSUANT TO CHAPTERS 1301., 1341., AND 3929. OF THE REVISED CODE TO PROTECT ALL RESIDENTS' FUNDS IT HAS ON DEPOSIT.

(2) AT A MINIMUM, THE SURETY BOND COVERAGE MUST PROTECT THE FULL AMOUNT OF RESIDENTS' FUNDS DEPOSITED WITH THE NF, INCLUDING INTEREST EARNED, AT ALL TIMES.

(3) THE SURETY BOND MUST PROVIDE THAT LOST FUNDS WILL BE REPAID DUE TO ANY FAILURE OF THE FACILITY, WHETHER BY COMMISSION, BANKRUPTCY, OR OMISSION.

(4) IF A CORPORATION HAS A SURETY BOND THAT COVERS ALL OF ITS FACILITIES, THE SURETY BOND MUST PROTECT THE FULL AMOUNT OF ALL RESIDENTS' FUNDS OF ALL THE CORPORATION'S FACILITIES, AND ENSURE THAT ALL THE RESIDENTS IN THE CORPORATION'S FACILITIES WITHIN OHIO ARE COVERED AGAINST ANY LOSSES DUE TO ACTS OR ERRORS BY THE CORPORATION OR ANY OF ITS FACILITIES, BANKRUPTCY OR OTHER TERMINATION OF OPERATIONS.

(I) REASONABLE ALTERNATIVES TO THE SURETY BOND. SELF INSURANCE IS NOT AN ACCEPTABLE ALTERNATIVE TO A SURETY BOND. FUNDS DEPOSITED IN BANK ACCOUNTS PROTECTED BY THE FEDERAL DEPOSIT INSURANCE CORPORATION, OR SIMILAR ENTITY, ALSO ARE NOT ACCEPTABLE ALTERNATIVES. THE ALTERNATIVE MUST MEET ALL OF THE FOLLOWING CRITERIA:

HCFA-179 # 97-19 Date Rec'd OCT 31 1997
Supersedes 90-48 Date Appr.
State Reg. In JH Date Eff. 7/1/92

(1) ALTERNATIVES TO SURETY BONDS MUST PROTECT THE FULL AMOUNT OF RESIDENTS' FUNDS DEPOSITED WITH THE NF AT ALL TIMES, PROVIDING PROTECTION EQUIVALENT TO THAT AFFORDED BY A SURETY BOND.

(2) THE ALTERNATIVE MUST LIST ODHS OR THE RESIDENTS OF THE NF AS THE ENTITIES DESIGNATED TO COLLECT IN CASE OF LOSS.

(3) THE ALTERNATIVE MUST PROVIDE A GUARANTEE THAT LOST FUNDS WILL BE REPAID DUE TO ANY FAILURE OF THE FACILITY, WHETHER BY COMMISSION, BANKRUPTCY, OR OMISSION, TO HOLD, SAFEGUARD, MANAGE, AND ACCOUNT FOR THE RESIDENTS' FUNDS.

(4) THE ALTERNATIVE MUST BE MANAGED BY A THIRD PARTY UNRELATED IN ANY WAY TO THE FACILITY OR ITS MANAGEMENT.

(5) THE FACILITY CANNOT BE NAMED AS A BENEFICIARY.

(J) PROVISION OF ASSURANCES TO ODHS. COPIES OF CORPORATE SURETY BONDS OR REASONABLE ALTERNATIVES TO SURETY BONDS MUST BE SUBMITTED BY MEDICAID-CERTIFIED NFS TO ODHS FOR REVIEW AND APPROVAL. NFS SHALL SUBMIT THESE COPIES TO ODHS ADDRESSED TO THE BUREAU OF LONG TERM CARE ADMINISTRATION, SURETY BOND COORDINATOR. CANCELLATION NOTICE MUST ALSO BE GIVEN TO ODHS BY THE FACILITY OR BOND COMPANY BY CERTIFIED MAIL THIRTY DAYS PRIOR TO TERMINATION OF A CORPORATE SURETY BOND OR REASONABLE ALTERNATIVE TO A SURETY BOND.

(K) LIMITATION ON CHARGES TO PERSONAL FUNDS. THE FACILITY MAY NOT IMPOSE A CHARGE AGAINST A PNA ACCOUNT OF A RESIDENT FOR ANY ITEM OR SERVICES FOR WHICH PAYMENT IS MADE UNDER MEDICAID OR MEDICARE. THE NF IS RESPONSIBLE FOR INFORMING THE MEDICAID RESIDENT OF THE COVERAGE AND LIMITATIONS OF THE TITLE XIX PROGRAM SO THE RESIDENT KNOWS WHETHER CHARGES FOR SERVICES ARE COVERED BY MEDICAID. IF A REPRESENTATIVE IS THE PAYEE FOR THE RESIDENT'S PNA ACCOUNT, THE NF SHALL ALSO EXPLAIN THE COVERAGE AND THE LIMITATIONS TO THE REPRESENTATIVE.

(L) SERVICES INCLUDED IN MEDICARE OR MEDICAID PAYMENT. DURING THE COURSE OF A COVERED MEDICARE OR MEDICAID STAY, FACILITIES MAY NOT CHARGE A RESIDENT FOR THE FOLLOWING CATEGORIES OF ITEMS AND

SERVICES TO THE EXTENT THEY ARE REQUIRED IN 42 CFR 483, SUBPART B AND INCLUDED IN MEDICARE OR MEDICAID PAYMENT:

(1) NURSING SERVICES;

(2) DIETARY SERVICES;

(3) AN ACTIVITIES PROGRAM;

(4) ROOM/BED MAINTENANCE SERVICES;

(5) ROUTINE PERSONAL HYGIENE ITEMS AND SERVICES AS REQUIRED TO MEET THE NEEDS OF THE RESIDENT, INCLUDING BUT NOT LIMITED TO HAIR HYGIENE SUPPLIES, COMB, BRUSH, BATH SOAP, DISINFECTING SOAPS OR SPECIALIZED CLEANSING AGENTS WHEN INDICATED TO TREAT SPECIAL SKIN PROBLEMS OR TO FIGHT INFECTION, RAZOR, SHAVING CREAM, TOOTHBRUSH, TOOTHPASTE, DENTURE ADHESIVE, DENTURE CLEANER, DENTAL FLOSS, MOISTURIZING LOTION, TISSUES, COTTON BALLS, DEODORANT, INCONTINENCE CARE AND SUPPLIES, SANITARY NAPKINS AND RELATED SUPPLIES, TOWELS, WASHCLOTHS; HOSPITAL GOWNS; OVER THE COUNTER DRUGS; HAIR AND NAIL HYGIENE SERVICES; BATHING; BASIC PERSONAL LAUNDRY;

(6) MEDICALLY-RELATED SOCIAL SERVICES;

(7) MEDICAL SUPPLIES SUCH AS IRRIGATION TRAYS; CATHETERS; DRAINAGE BAGS; SYRINGES AND NEEDLES; OR DURABLE MEDICAL EQUIPMENT;

(8) AIR CONDITIONERS OR CHARGES TO RESIDENTS FOR THE USE OF ELECTRICITY;

(9) THERAPY SERVICES OR PODIATRY SERVICES; OR

(10) CHARGES TO RESIDENTS FOR TELEPHONE CONSULTATION BY PHYSICIANS AND OTHER PERSONNEL.

(M) REQUESTS FOR ITEMS AND SERVICES.

(1) THE NF MAY NOT CHARGE A RESIDENT OR HIS OR HER REPRESENTATIVE FOR ANY ITEM OR SERVICE NOT REQUESTED BY THE

HCFA-179 # 97-19 Date Rec'd
Supercedes 96-48 Date Appd OCT 3 1997
State Rep. In JH Date Eff. 7/1/97

RESIDENT, WHETHER OR NOT THE ITEM OR SERVICES IS REQUESTED BY A PHYSICIAN.

(2) THE NF MAY NOT REQUIRE A RESIDENT OR REPRESENTATIVE TO REQUEST AN ITEM OR SERVICE AS A CONDITION FOR ADMISSION OR CONTINUED STAY.

(3) THE NF MUST INFORM THE RESIDENT OR HIS OR HER REPRESENTATIVE REQUESTING AN ITEM OR SERVICES FOR WHICH A CHARGE WILL BE MADE, THAT THERE WILL BE A CHARGE FOR THE ITEM OR SERVICE AND WHAT THE CHARGE WILL BE.

(N) ITEMS AND SERVICES THAT MAY BE CHARGED TO RESIDENTS' FUNDS.

(1) LISTED BELOW ARE GENERAL CATEGORIES AND EXAMPLES OF ITEMS AND SERVICES THAT THE FACILITY MAY CHARGE TO RESIDENT'S FUNDS IF THEY ARE REQUESTED BY A RESIDENT, IF THE FACILITY INFORMS THE RESIDENT THAT THERE WILL BE A CHARGE, AND IF PAYMENT IS NOT MADE BY MEDICARE OR MEDICAID. THE EXAMPLES GIVEN ARE NOT ALL INCLUSIVE BUT ARE USED AS GUIDELINES IN DETERMINING THE APPROPRIATENESS OF AN EXPENDITURE.

(a) TELEPHONE;

(b) TELEVISION OR RADIO FOR PERSONAL USE;

(c) PERSONAL COMFORT ITEMS INCLUDING SMOKING MATERIALS, NOTIONS, NOVELTIES AND CONFECTIONS;

(d) COSMETIC AND GROOMING ITEMS AND SERVICES IN EXCESS OF THOSE FOR WHICH PAYMENT IS MADE UNDER MEDICAID OR MEDICARE, INCLUDING HAIR CUTS, PERMANENT WAVES, HAIR COLORING, AND RELAXING PERFORMED BY BARBERS AND BEAUTICIANS NOT EMPLOYED BY THE FACILITY;

(e) PERSONAL CLOTHING;

(f) PERSONAL READING MATTER;

(g) GIFTS PURCHASED ON BEHALF OF A RESIDENT;

HCFA-179 # 97-19 Date Rec'd
Supersedes 90-48 Date Appr. OCT 31 1997
State Reg. No. XH Date Eff. 7/1/97

(h) FLOWERS AND PLANTS;

(i) SOCIAL EVENTS AND ENTERTAINMENT OFFERED OUTSIDE THE SCOPE OF THE ACTIVITIES PROGRAM;

(j) NONCOVERED SPECIAL CARE SERVICES SUCH AS PRIVATELY HIRED NURSES AND/OR AIDES;

(k) PRIVATE ROOM, EXCEPT WHEN THERAPEUTICALLY REQUIRED (FOR EXAMPLE, ISOLATION FOR INFECTION CONTROL);

(l) SPECIALLY PREPARED OR ALTERNATIVE FOOD REQUESTED INSTEAD OF FOOD GENERALLY PREPARED BY THE FACILITY;

(m) STATIONARY AND STAMPS; AND

(n) SPECIALTY LAUNDRY SERVICES SUCH AS DRY CLEANING, MENDING, OR HAND-WASHING.

(2) THE RESIDENT MAY PURCHASE AN ITEM OR SERVICE OUT OF HIS OR HER FUNDS IF THE MEDICAID OR MEDICARE PROGRAM DOES NOT COVER IT. THIS PROVISION DOES NOT ALTER THE MEDICAID-CERTIFIED NF'S AGREEMENT TO ACCEPT MEDICAID PAYMENT AS PAYMENT IN FULL FOR COVERED ITEMS AND SERVICES. IF A RESIDENT CLEARLY EXPRESSES A DESIRE FOR A PARTICULAR BRAND OR ITEM NOT AVAILABLE FROM THE NF, THEN PNA FUNDS MAY BE USED AS LONG AS AN ITEM OF REASONABLE QUALITY IS AVAILABLE TO THE RESIDENT AT NO CHARGE. THE NF CAN ONLY CHARGE THE DIFFERENCE IN COST BETWEEN THE AVAILABLE ITEM AND THE RESIDENT'S PREFERRED ITEM.

(3) IF A RESIDENT IS CONSIDERING USING HIS OR HER PNA FUND FOR THE PURCHASE OF LIFE INSURANCE, GRAVE SPACE, A BURIAL ACCOUNT OR SIMILAR ITEMS WHICH MAY BE CONSIDERED A RESOURCE AND THEREFORE AFFECT THE RESIDENT'S ELIGIBILITY FOR THE TITLE XIX PROGRAM, THE NF SHALL SUGGEST TO THE RESIDENT OR HIS OR HER REPRESENTATIVE THAT HE OR SHE CONTACT THE CDHS FOR AN EXPLANATION OF THE EFFECT OF THE RESIDENT'S ACTION UPON HIS OR HER MEDICAID ELIGIBILITY STATUS.

(O) MONITORING. THE CDHS IS RESPONSIBLE FOR MONITORING PNA ACCOUNTS IN THE NFS TO INSURE THE PROVISIONS OF THIS RULE ARE FOLLOWED. AT LEAST ONCE A QUARTER, A DESIGNATED CDHS EMPLOYEE MUST DETERMINE WHETHER THE PROCEDURES ARE BEING FOLLOWED. ANY QUESTIONS OF INAPPROPRIATE USE OF PNA MONIES OR INADEQUATE RECORD KEEPING ARE TO BE REPORTED TO THE ODHS BUREAU OF LONG TERM CARE ADMINISTRATION, AND THE OHIO DEPARTMENT OF HEALTH (ODH), FOR FURTHER ACTION. INAPPROPRIATE USE OF PNA MONIES BY A PAYEE OR NF MANAGING A PNA ACCOUNT DOES NOT, HOWEVER, REDUCE THE SCOPE OR DURATION OF MEDICAID BENEFITS FOR THE MEDICAID RESIDENT.

(P) RELEASE OF FUNDS UPON DISCHARGE. A RESIDENT WHO IS DISCHARGED FROM A NF IS ENTITLED TO ALL OF HIS OR HER PNA FUNDS UP TO AND INCLUDING THE MAXIMUM RESOURCE LIMITATION UPON DISCHARGE.

(Q) CONVEYANCE UPON DEATH. IF, NOT LATER THAN SIXTY DAYS AFTER THE DEATH OF A RESIDENT OF A NF, LETTERS TESTAMENTARY OR LETTERS OF ADMINISTRATION ARE ISSUED, OR AN APPLICATION FOR RELEASE FROM ADMINISTRATION IS FILED UNDER SECTION 2113.03 OF THE REVISED CODE CONCERNING THE RESIDENT'S ESTATE, THE NF SHALL TRANSFER THE FUNDS IN THE RESIDENT'S PNA ACCOUNT, AND A FINAL ACCOUNTING OF THOSE FUNDS, TO THE ADMINISTRATOR, EXECUTOR, COMMISSIONER, OR PERSON WHO FILED THE APPLICATION FOR RELEASE FROM ADMINISTRATION. AN OWNER OR OPERATOR OF A FACILITY SHALL NOT RETAIN THE MONEY IN THE RESIDENT'S PNA ACCOUNT BEYOND THIRTY DAYS FOLLOWING THE RESIDENT'S DEATH IF THE OWNER OR OPERATOR HAS BEEN ISSUED LETTERS TESTAMENTARY OR LETTERS OF ADMINISTRATION, OR AN APPLICATION FOR RELEASE FROM ADMINISTRATION IS FILED UNDER SECTION 2113.03 OF THE REVISED CODE CONCERNING THE RESIDENT'S ESTATE WITHIN THAT THIRTY-DAY PERIOD.

(R) IF LETTERS TESTAMENTARY OR LETTERS OF ADMINISTRATION CONCERNING THE RESIDENT'S ESTATE ARE NOT ISSUED, OR AN APPLICATION FOR RELEASE FROM ADMINISTRATION IS NOT FILED UNDER SECTION 2113.03 OF THE REVISED CODE CONCERNING THE RESIDENT'S ESTATE, WITHIN SIXTY DAYS AFTER THE RESIDENT'S DEATH AND THE RESIDENT WAS A RECIPIENT OF MEDICAID BENEFITS, THE NF SHALL TRANSFER ALL THE FUNDS IN THE PNA ACCOUNT OF THE RESIDENT TO ODHS NO EARLIER THAN SIXTY AND NO LATER THAN NINETY DAYS AFTER THE DEATH OF A RESIDENT, WITH THE EXCEPTION LISTED IN PARAGRAPH (S) OF THIS RULE.

HCFA-179 # 97-19 Date Rec'd
Supercedes 90-48 Date Appr OCT. 31 1997
State Rep. In JH Date Eff. 2/1/92

(S) IF FUNERAL OR BURIAL EXPENSES FOR A RESIDENT OF A NF WHO HAS DIED HAVE NOT BEEN PAID AND THE ONLY RESOURCE LEFT TO PAY THOSE EXPENSES ARE THE FUNDS IN THE RESIDENT'S PNA ACCOUNT, OR ALL OTHER RESOURCES OF THE RESIDENT ARE INADEQUATE TO PAY THE FULL COST OF THE EXPENSES, THE FUNDS IN THE RESIDENT'S PNA ACCOUNT SHALL BE USED TO PAY FOR THE FUNERAL OR BURIAL EXPENSES RATHER THAN BEING PAID TO ODHS.

(T) FUNDS IN THE PNA ACCOUNTS TRANSFERRED TO ODHS SHALL BE PAYABLE BY CHECK OR MONEY ORDER AND SHALL BE ACCOMPANIED BY A COMPLETED ODHS 9405.

(1) CHECKS OR MONEY ORDERS SHALL BE MADE PAYABLE TO THE TREASURER OF THE STATE OF OHIO-(AGO).

(2) CHECKS OR MONEY ORDERS AND A COMPLETED ODHS 9405 SHALL BE MAILED DIRECTLY TO THE FOLLOWING ADDRESS: "REVENUE RECOVERY SECTION, MEDICAID ESTATE RECOVERY, 101 EAST TOWN STREET, SECOND FLOOR, COLUMBUS, OHIO 43215-5148."

(U) UNLESS ODHS IS ENTITLED TO RECOVER THE MONEY UNDER THE ESTATE RECOVERY PROGRAM INSTITUTED UNDER SECTION 5111.11 OF THE REVISED CODE, ODHS SHALL TRANSFER THE FUNDS RECEIVED FROM THE RESIDENT'S PNA ACCOUNT TO THE ADMINISTRATOR, EXECUTOR, COMMISSIONER, OR PERSON WHO FILED THE APPLICATION FOR RELEASE FROM ADMINISTRATION IF, SIXTY-ONE OR MORE DAYS AFTER A RESIDENT OF A NF DIES, LETTERS TESTAMENTARY OR LETTERS OF ADMINISTRATION ARE ISSUED, OR AN APPLICATION FOR RELEASE FROM ADMINISTRATION UNDER SECTION 2113.03 OF THE REVISED CODE IS FILED, CONCERNING THE RESIDENT'S ESTATE.

Replaces Rule 5101:3-3-60

Effective date: JUL 01 1996

Certification: Arnold R. Tompkins

JUN 21 1996

Date

Promulgated under: RC Chapter 119.
Statutory authority: RC section 5111.02
Rule amplifies: RC sections 3721.15, 5111.01, 5111.02, 5111.112
Prior effective dates: 7/7/80, 7/1/88 (Emer.), 9/ 25/ 88, 10/1/90 (Emer.), 12/31/90, 1/1/95

HCFA-179 # 97-19 Date Rec'd
Supercedes 90-48 Date Appr OCT 31 1997
State Reg. In JH Date Eff. 7/1/97

L E G A L N O T I C E

State of Ohio
Department of Public Welfare
Columbus, Ohio

Pursuant to sections 5111.02, 5111.222 and chapter 119 of the ohio revised code and 42 CFR 447.205 the director of the Department of Public Welfare gives notice of his intention to consider the adoption of new OAC rule 5101:3-3-70 and a public hearing thereon.

Rule 5101:3-3-70, entitled "Special Rules and Rates for LTCF with Low Medicaid Utilization" defines low Medicaid utilizers of LTC and establishes a modified flat rate reimbursement method for these facilities.

This rule also establishes cost report and rate setting mechanisms; definitions of allowable costs and covered services; and utilization review and quality control mechanisms.

The reason for the proposed adoption of OAC 5101:3-3-70 is to implement Section 5111.222 of the Ohio Revised Code.

It is estimated that this simplified system will save the department $230,000 annually.

A copy of this rule is available for review at each local county welfare department.

A copy of the rule is available, without charge to any person affected by it, at least 30 days prior to the date of the hearing. Requests for a copy of this new rule should be addressed to the office of the Executive Assistant to the Director, Ohio Department of Public Welfare, 30 East Broad Street, 32nd Floor, Columbus, Ohio 43215.

A public hearing on the proposed rule will be held on May 14, 1984 at 2:30 until all testimony is heard in Room 1814 at 30 East Broad Street, Columbus, Ohio.

At this public hearing the Department of Public Welfare will take written and verbal testimony from any person affected by the proposed rule. Written comments on this rule may be submitted by mail if postmarked no later than May 14, 1984 to Stanley D. Sells, Chief, Division of Medical Assistance, Ohio Department of Public Welfare, 30 East Broad Street, 31st. Floor, Columbus, Ohio 43215. Copies of the comments received are also available for review from Mr. Sells at the above address.

5101:3-3-70
Page 1 of 10

5101:3-3-70 Special rules and rates for LTCFs with low medicaid utilization.

~~As required by section 5111.222 of the Revised Code, the department adopts this rule to establish that the reimbursement rate for skilled nursing facilities and intermediate care facilities in which the number of patients who are recipients of medical assistance does not exceed ten or ten per cent of the total number of patients in the home shall be the statewide average reimbursement rate for skilled nursing facilities and intermediate care facilities in the sample selected under division (D) of section 5111.27 of the Revised Code, or the home's charge to patients who are not recipients of medical assistance, whichever is less and to establish standards under which the department shall annually determine reimbursement rates for intermediate care facilities for the mentally retarded with eight beds or less.~~ THIS RULE ESTABLISHES THE METHODOLOGY FOR DETERMINING PAYMENT RATES TO LOW MEDICAID UTILIZATION FACILITIES. FOR NURSING FACILITIES (NFS) WHERE THE NUMBER OF MEDICAID RESIDENTS DOES NOT EXCEED TEN OR TEN PER CENT OF THE TOTAL RESIDENTS IN THE FACILITY, THE PAYMENT RATE WILL BE THE LOWER OF THE STATEWIDE AVERAGE REIMBURSEMENT RATE CALCULATED FOR LIKE FACILITIES FROM THE SAMPLE SELECTED UNDER DIVISION (D) OF SECTION 5111.27 OF THE REVISED CODE, OR THE RATE FOR NONMEDICAID INDIVIDUALS FOR THE SAME SERVICES DURING THE CORRESPONDING TIME PERIOD, WHICHEVER IS LESS. FOR INTERMEDIATE CARE FACILITIES FOR THE MENTALLY RETARDED (ICF-MR) WITH EIGHT BEDS OR LESS, THE PAYMENT RATE WILL BE THE STATEWIDE AVERAGE REIMBURSEMENT RATE CALCULATED FOR LIKE FACILITIES AS DEFINED IN THIS RULE OR THE RATE FOR NONMEDICAID INDIVIDUALS FOR THE SAME SERVICES DURING THE CORRESPONDING TIME PERIOD, WHICHEVER IS LESS. QUALIFICATION STANDARDS FOR ICF-MR REIMBURSEMENT RATES THAT EXCEED THE STATEWIDE AVERAGE ARE EXPLAINED IN PARAGRAPHS (C)(2)(a) AND (C)(2)(b) OF THIS RULE.

(A) Except as referenced in this rule, the provisions of rules 5101:3-3-12 to 5101:3-3-14, 5101:3-3-19, 510:3-3-191 TO 5101:3-3-195, 5101:3-3-21, 5101:3-3-22, 5101:3-3-24, 5101:3-3-25, 5101:3-3-26 [PARAGRAPH (A)(2)], TO 5101:3-3-27 AND 5101:3-3-29 TO 5101:3-3-49 of the Administrative Code do not apply to the following LTCFs:

(1) ~~ICFs, SNFs, and SNF/ICFs~~ NFS which have been a medicaid provider for one year or more and which serve ten or less medicaid ~~recipients~~ RESIDENTS at all times DURING THE COST REPORT YEAR; OR:

(2) ~~ICFs, SNFs, and SNF/ICFs~~ NFS which HAVE BEEN A MEDICAID PROVIDER FOR ONE YEAR OR MORE AND on a calendar COST REPORT year basis maintain a ratio of medicaid residents to total residents of ten per cent or less.

(3) ICFs-MR which are certified for eight beds or less AT ALL TIMES DURING THE COST REPORT YEAR.

TNS # 90-48 APPROVAL DATE 2/5/91
SUPERSEDES
TNS # 90-11 EFFECTIVE DATE 12/31/90

(B) LTCFs which meet the criteria in paragraph (A)(1), (A)(2) or (A)(3) of this rule will file a cost report on ~~a~~ AN ODHS ~~form~~ 2524 INCLUDING ITS SUPPLEMENTS AND ATTACHMENTS designated by the department on or before ~~April thirtieth~~ MARCH THIRTY-FIRST OF EACH YEAR. UNDER EXTENUATING CIRCUMSTANCES, THE DEPARTMENT MAY GRANT A THIRTY DAY EXTENSION UPON WRITTEN REQUEST BY THE PROVIDER OUTLINING THE URGENCY FOR SUCH EXTENSION.

~~(1) The cost report will delineate expenses and revenues for the prior calendar year based on an accrual method of accounting.~~

~~(2) The cost report will follow the cost reports for special homes as required by the department.~~

~~(3) The cost report will be accompanied by a notarized, sworn statement by the operator that the cost report is an accurate representation of the allowable expenditures made and revenues received by the provider to meet the costs of operating the LTCF.~~

(1) LTCFS THAT FAIL TO FILE THEIR ANNUAL COST REPORT AND APPROPRIATE SCHEDULES AND ATTACHMENTS BY THE DUE DATE SHALL BE SUBJECT TO THE FOLLOWING PROVISIONS:

(a) THE RATE OF PAYMENT SHALL BE REDUCED BY TWO DOLLARS PER PATIENT DAY. THIS REDUCTION WILL APPLY TO PROJECTED INTERIM RATES AND FINAL SETTLEMENTS.

(b) THE RATE OF PAYMENT SHALL BE REDUCED EFFECTIVE THE DAY AFTER THE REQUIRED COST REPORT IS DUE AND SHALL CONTINUE UNTIL EITHER THE COST REPORT IS FILED OR THE FACILITY IS TERMINATED FROM THE MEDICAID PROGRAM.

(c) THE LTCF WILL BE TERMINATED FROM THE MEDICAID PROGRAM IF THE COST REPORT IS NOT FILED WITHIN THIRTY DAYS FROM THE DUE DATE OR THIRTY DAYS FROM THE DUE DATE OF ANY EXTENSION GRANTED BY ODHS FOR GOOD CAUSE.

(2) ~~(4)~~ Financial, statistical, and medical records shall be available for audit to the department and to the U.S. department of health and human services and other federal agencies, supporting the cost reports and shall be retained for the lesser of seven years, or if an audit has been initiated for three years after a medical or fiscal audit has been finalized and every exception resolved.

(a) Failure to retain the required financial, statistical, or medical and program records renders the provider liable for monetary damages equal to the difference between the per diem paid to the provider for the rate year in question and the lowest per diem paid in the state of Ohio to an ~~owner of an~~ LTCF.

(b) Failure to retain required financial, statistical, or medical and program records to the extent that filed cost reports are unauditable shall result in proposed termination of the provider from the medicaid program. Providers whose records have been found to be unauditable will be allowed sixty days to provide the necessary documentation. If at the end of the sixty days the required records have been submitted and are determined auditable, the proposed termination will be withdrawn.

TNS #90-48 APPROVAL DATE 9/5/91
SUPERSEDES TNS #90-11 EFFECTIVE DATE 12/31/90